

**MEMORANDUM TO:** Director of Central Intelligence      **DATE:** 1 May 1962

**THROUGH :** Deputy Director for Intelligence

**SUBJECT :** CIA Participation in the Intelligence Working Group of the Economic Defense Advisory Committee

**I. PROBLEM**

To provide for CIA participation in the Intelligence Working Group of the Economic Defense Advisory Committee.

**II. DISCUSSION**

CIA participation in an Intelligence Working Group has been requested by the Director for Mutual Security (Tab A) and the Secretary of State (Tab B).

A deficiency which has become increasingly apparent in the field of economic warfare is the lack of evaluated and processed intelligence which is sufficiently timely to meet the operating as well as the policy requirements of the security control programs. Mr. Harrison has indicated that this deficiency is particularly acute with regard to: (a) the effects of our control programs on the Soviet Bloc, and (b) efforts and measures made by the Bloc to evade controls.

If intelligence is to be effective for this purpose there must be a close relationship between the intelligence studies for economic defenses, policy decisions and action programs on the one hand and efforts in the field to procure related intelligence information on the other. In addition, there must be close coordination in Washington among the agencies best able to provide information on the various subjects for which intelligence is needed.

In order to provide for such coordination and to attain a concentration of effort in the intelligence field which corresponds roughly with the priority requirements of the economic defense program — as outlined in Public Law 213 and NSC 164/2 — the Administrator of the Mutual Defense Assistance Control Act and the State Department propose to set up an Intelligence Working Group. The participation of CIA in such a group and its assumption of the chairmanship seem to be clearly consonant with the responsibilities imposed on it by NSC 164/2.

**III. CONCLUSION**

The proposed Intelligence Working Group would facilitate the direction of intelligence collection and the prompt review and correlation of economic intelligence in support of the administration of the Espionage Act (Public Law 213) and the measures outlined in NSC 164/2.

**IV. ACTION RECOMMENDED**

It is recommended that the DCI sign the attached letter to the Director for Mutual Security (Tab C).

ROBERT AARBY, JR.  
Assistant Director  
Intelligence and Security

**BEST COPY**